



TATA MOTORS LIMITED

Regd. Office : Bombay House, 24, Homi Mody Street, Mumbai 400 001.

AUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED DECEMBER 31, 2004

Particulars	Quarter ended December 31,		Nine months ended December 31,		Year Ended March 31, 2004
	2004	2003	2004	2003	Audited
	Audited	Unaudited	Audited	Audited	
(A)					
1 Vehicle Sales:(in Nos.)					
Commercial vehicles	50908	40485	134861	104616	152195
Passenger Cars and Utility vehicles	39048	30244	124996	97217	140018
Exports	8706	7651	19299	15068	22046
	98662	78380	279156	216901	314259
2 Vehicle Production:(in Nos.)					
Commercial vehicles	55878	42651	149106	109750	159972
Passenger Cars and Utility vehicles	40451	33399	131566	104089	151570
	96329	76050	280672	213839	311542
3 Export Turnover (at F.O.B. value)					
	Rs. Crores				
	US \$ M				
	372.25	320.10	908.16	672.36	1006.32
	91.24	70.65	207.72	147.48	230.23
	(Rupees Crores)				
1 Sales/Income from operations	5,093.21	3,945.93	14,225.98	10,634.51	15,493.52
Less: Excise Duty	728.27	546.33	2,139.91	1,554.74	2,270.30
Net Sales/Income from operations	4,364.94	3,399.60	12,086.07	9,079.77	13,223.22
2 Total Expenditure					
(a) (Increase) / Decrease in stock in trade and work in progress	(20.82)	(8.22)	(271.17)	4.14	141.98
(b) Consumption of Raw Materials & Components	3,004.18	2,119.53	8,389.92	5,773.19	8,341.39
(c) Staff Cost	259.33	256.78	754.46	657.52	882.49
(d) Other expenditure	541.13	541.33	1,682.34	1,384.30	1,975.56
(e) Sub Total 2(a) to 2(d)	3,783.82	2,909.42	10,555.55	7,819.15	11,341.42
3 Operating Profit [1-2]	581.12	490.18	1,530.52	1,260.62	1,881.80
4 Other Income	24.66	16.66	136.49	49.93	58.90
5 Interest					
(a) Gross Interest	54.89	52.64	163.35	158.27	206.65
(b) Capitalisation of Interest and other receipts	(13.45)	(5.24)	(40.55)	(31.09)	(45.39)
(c) Net Interest	41.44	47.40	122.80	127.18	161.26
6 Product development cost- written off	6.24	0.93	48.58	19.95	51.64
7 Depreciation and Amortisation	100.77	94.16	305.92	283.87	382.60
8 Profit before exceptional items and tax [3+4-5-6-7]	457.33	364.35	1,189.71	879.55	1,345.20
9 Exceptional Items					
(a) Employee Separation Cost (Note 3)	1.01	2.62	3.09	25.63	4.56
(b) Provision for diminution in value of investments	-	-	-	-	48.30
(c) Sub Total 9(a) and 9(b)	1.01	2.62	3.09	25.63	52.86
10 Profit Before Tax [8-9]	456.32	361.73	1,186.62	853.92	1,292.34
11 Less: Provision for Taxation					
(a) Current Tax	116.43	25.79	311.35	61.94	96.00
(b) Deferred Tax	23.68	125.06	26.49	274.11	386.00
(c) Sub Total of 11(a) and 11(b)	140.11	150.85	337.84	336.05	482.00
12 Profit After Tax [10-11]	316.21	210.88	848.78	517.87	810.34
13 Paid-up Equity Share Capital (Face value of Rs. 10 each)	361.79	330.49	361.79	330.49	356.83
14 Reserves excluding Revaluation Reserve					3,236.77
15 Basic EPS (not annualised)	Rupees 8.75	6.48	23.63	16.09	24.68
Diluted EPS (not annualised)	Rupees 8.20	5.97	22.16	14.72	22.71
16 Aggregate of Non-Promoter Shareholding					
- Number of Shares	243895027	227341493	243895027	227341493	235239669
- Percentage of shareholding	67.42%	68.84%	67.42%	68.84%	66.65%

Notes:-

- 1) Figures for the previous period have been regrouped/reclassified wherever necessary.
- 2) During the nine months ended December 31, 2004, (a) Rs. 10.85 crores towards premium on the early redemption of Debentures and (b) Issue expenses of Rs. 30.32 crores, and prorata provision for premium on redemption of Rs. 28.52 crores, of Foreign Currency Convertible Notes have been debited to Securities Premium Account.
- 3) The Company had charged Rs. 2.62 crores and Rs. 25.63 crores by way of employee separation cost in the profit and loss account for the comparative quarter and nine months in the previous year. In view of the limited revision of the Accounting Standard 26 (AS 26) on 'Intangible Assets', the Company reverted to its earlier accounting policy of amortising such cost over a period of 24 to 84 months, in the year ended March 31, 2004. Had the current accounting policy been followed in the previous period, the employee separation cost reported in the quarter and nine months ended December 31, 2003 would have been lower and profit before tax would have been higher by Rs. 1.70 crores and Rs. 23.65 crores respectively.
- 4) During the quarter, (a) 2,898,283 Ordinary Shares were allotted consequent to exercise of equivalent number of warrants pertaining to rights issue of 2001 at Rs. 120/- per share and (b) 3,68,182 Ordinary Shares were allotted consequent to conversion of 750 1% Foreign Currency Convertible Notes (2008) at a premium as per the terms.
- 5) The Company is engaged exclusively in the business of automobile products consisting of all types of commercial and passenger vehicles. These, in the context of Accounting Standard 17 on Segment Reporting, issued by the Institute of Chartered Accountants of India, are considered to constitute one single primary segment.
- 6) In April 2004, the Company has raised the funds by issuing (a) US\$ 100 Million (Rs. 438.5 Crores at issue) by way of Zero Coupon Convertible Notes maturing in April 2009 and (b) US\$ 300 Million (Rs. 1315.5 Crores at issue) by way of 1% Convertible Notes maturing in April 2011. In both the cases the noteholders have an option to convert these notes into Ordinary Shares or Depository receipts at pre-determined prices and the Company has a right to redeem these notes subject to certain conditions.
- 7) The Board of directors have approved the amalgamation of Tata Finance Ltd. with the Company, with effect from April 1, 2005, pending completion of legal formalities.
- 8) As on October 1, 2004, 58 Investor complaints were outstanding (out of which 57 complaints pertained to non-receipt of interim dividend). The Company received 84 complaints during the said quarter and disposed off 134 complaints by December 31, 2004. There were 8 complaints unresolved as on December 31, 2004, which have been resolved as of date.
- 9) The Statutory Auditors have carried out an audit of the results stated in (B) above for the quarter and nine months ended December 31, 2004.

The above Results have been reviewed by the Audit Committee of the Board and were taken on record by the Board of Directors at its meeting held on January 31, 2005.

Tata Motors Limited

Ratan N Tata
Chairman

Mumbai, January 31, 2005